

Chapter 4—

How is a project area chosen?

The local governing body first designates a survey area. Then the redevelopment advisory committee (RAC), made up of members of the community, provides the agency with input on the kinds of changes they would like to see made in the area. The survey area must then be evaluated to determine if it qualifies for redevelopment. Based upon this evaluation, the planning commission selects a project area and indicates how the purpose of the Community Redevelopment Law can be attained by redevelopment of this area. A project area can be reduced in size prior to adoption of the redevelopment plan, but cannot be enlarged without amending the survey area. A project area can also include non-adjacent properties.

All substantial activities and actions of the agency require consideration and approval by elected representatives at a public meeting or public hearing with notice duly given, as appropriate. In addition, activities of the agency are first approved at a public meeting during the adoption of the annual budget. At this time the agency also establishes its goals for the coming year and analyzes its achievements toward goals set in the previous year. Additionally, the law requires that the agency prepare an annual report and have an independent audit prepared of its redevelopment activities. The audit must be submitted to the governing body and to the State Controller. These are available for public inspection and comment.

What is a project area committee (PAC)?

A PAC is a group of community members from the project area who both provide input on the project and inform the community of the progress of the project. In this way, PACs are very important. They play a key role in forming the direction of the project. They also help bridge the communication gap between the community and the agency. In fact, they are so important that in many instances where a PAC has not been required by law, agencies have created redevelopment advisory committees to provide the agency with input on the community needs for redevelopment.

A PAC is required if a redevelopment plan authorizes the use of eminent domain over private property that houses a substantial number of residential units, moderate-income persons and families that might be displaced. In this case, the agency must consult with, and obtain the advice of, residents, property owners, business owners, and community organizations on those policy matters which deal with the planning and provision of replacement residential facilities, relocations, and other policy matters which affect the residents of the project area. The PAC also reviews the draft redevelopment plan and makes recommendations to the agency board regarding whether the board should adopt the redevelopment plan.

How does a project area qualify for redevelopment?

A project area must be characterized by conditions that cause a reduction of proper use of the area. In other words, the area must be deteriorated to such an extent that it constitutes a serious physical or economic burden on the community that cannot reasonably be expected to be reversed or alleviated by private enterprise acting alone.

A project area may include lands, buildings, businesses, or houses that are not physically or economically deteriorated. However, those aforementioned businesses, houses, etc. may be located in an area that suffers from general deterioration or blight and it may be necessary to include them for the effective redevelopment of the project area at large.

It is important to note, however, that these successful areas may not be included in a redevelopment project area for the sole purpose of the agency obtaining the allocation of tax increment revenues. Their inclusion in the area must be substantially justified.

Do project area properties need to be adjacent?

No. The project area may include adjacent or non-adjacent properties, which means that the deteriorated areas may not have to be directly next to each other. Non-adjacent areas of a project area must either exhibit deteriorated economic and physical conditions or be necessary for effective redevelopment of the overall area, as mentioned above. As well, a non-adjacent area can also be included if it will be predominantly used for the relocation of owners or tenants from other project areas in the community or for low-, moderate- or very low-income housing construction.

What is a redevelopment plan?

A redevelopment plan provides a legal framework for planning and implementing revitalization activities in a redevelopment project area. It also can establish a financing method to fund these initiatives, called tax increment financing. A redevelopment plan:

- ◆ Describes the purposes and objectives of eliminating deteriorated conditions;
- ◆ Sets the basic goals, powers and limitations within which the redevelopment agency must conduct its activities over the life of the project; and
- ◆ Is broad and flexible. The plan should set forth basic powers, limitations and should provide a general statement of redevelopment objectives and techniques that clearly establishes how the agency intends to remove deterioration from the project area.

The redevelopment plan must also be in harmony with the city or county general plan. A redevelopment plan generally contains the following components:

- ◆ A legal description of the project area in written and graphic form and a description of land uses;
- ◆ Descriptions of the proposed actions to be taken to carry out redevelopment. These descriptions cover the duties, powers, and authorities of the redevelopment agency and describe the rights of owners and tenants;
- ◆ Descriptions of the authority and limitations for financing the activities necessary to implement the plan; and
- ◆ Plans for how the agency will implement redevelopment projects to remove the deterioration.

Who adopts the redevelopment plan?

A redevelopment plan is adopted by ordinance of the governing body of the community. Adoption of the plan is based on the recommendations of the agency, the planning commission, and the project area or redevelopment advisory committee (if formed). Public hearings are required so that community input can be considered before the plan is adopted.

- ◆ The agency then circulates the preliminary report, draft redevelopment plan and draft environmental impact report;
- ◆ The agency consults with affected taxing entities and the community;
- ◆ The local governing body/agency calls for a public hearing on the proposed redevelopment plan;
- ◆ The environmental documentation is completed and approved; and
- ◆ The redevelopment plan and the 5-year implementation plan are adopted.

What is the process for adopting a redevelopment plan?

The redevelopment process involves a series of legally mandated steps. The following basic steps must be followed:

- ◆ The local governing body adopts a survey area encompassing portions of the community that might benefit from redevelopment;
- ◆ After the survey area is adopted, the planning commission selects a redevelopment project area that is coterminous with or smaller than the survey area;
- ◆ The planning commission also adopts a preliminary plan that outlines the basic goals and objectives of the proposed redevelopment project and contains a legal description of the project area. The preliminary plan is then accepted by the redevelopment agency board and transmitted to all taxing entities that receive property taxes from the project area;
- ◆ After the preliminary plan is adopted, the redevelopment agency begins to prepare a series of technical documents required by State law, such as the preliminary report and environmental documentation;
- ◆ The agency also develops a draft redevelopment plan;

After the redevelopment plan is adopted, how is our community assured that the agency will carry out the plan?

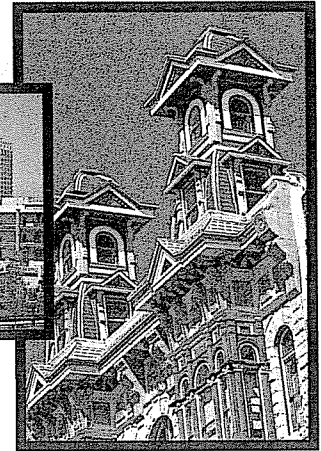
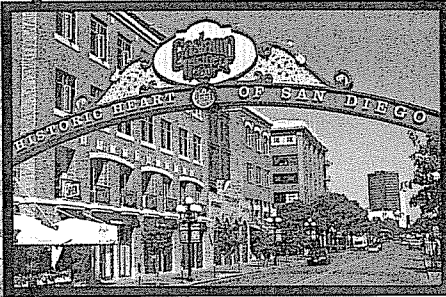
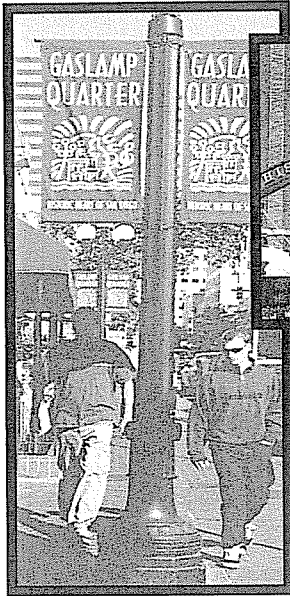
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The CRL also requires that the agency prepare an annual report and have several independent audits of its redevelopment activities prepared. The audits must be submitted to the governing body, to the Department of Housing and Community Development and to the State Controller. These reports are available for public inspection and comment.

As well, at least every five years, a redevelopment agency must adopt or update a plan that provides information about projects the agency plans to undertake within that 5-year implementation period. This plan is called the 5-year Implementation Plan.

San Diego's Gaslamp Quarter—The Revival of a National Historic District

by Donna Alm, Centre City Development Corporation



A city's built heritage provides a vital connection with its past. Nowhere is that truer than in San Diego's Gaslamp Quarter.

Fine examples of Victorian-style commercial buildings constructed in San Diego between the Civil War and World War I are part of these 16.5 blocks. They reflect the pioneering innocence of San Diego's early commercial entrepreneurs.

However, by the 1970s, many buildings had fallen into desrepair or had been insensitively altered in an effort to "modernize" them. Bars, adult bookstores, X-rated theaters, low-income residential hotels and rescue missions were also prevalent.

Preserving the distinctive character of the original architecture while providing for orderly change was behind the aim of the Gaslamp Quarter Planned District Regulations and the Gaslamp Quarter Urban Design and Development Manual, both adopted by the City Council in 1976. That year the city also adopted an ordinance that banned adult-entertainment uses from being located 100 feet from one another. The number of such businesses declined significantly.

The redevelopment agency adopted the Gaslamp Quarter Redevelopment Project in 1982, adding important leverage to the formation of a livable neighborhood. A business improvement district was created, later joined by a property-based improvement district in support of downtown's Clean & Safe Program.

The historic district has benefited greatly from its historic designation in 1980 and the tools of California's Community Redevelopment Law.

By 1990, over 90 structures had been rehabilitated through the efforts of private property owners who utilized historic tax credits and tax increment dollars, along with their own capital, to accomplish this expensive task. The Gaslamp Quarter is San Diego's entertainment district... but it's more. People live here and more than 300 merchants provide goods and services for residents and visitors alike.